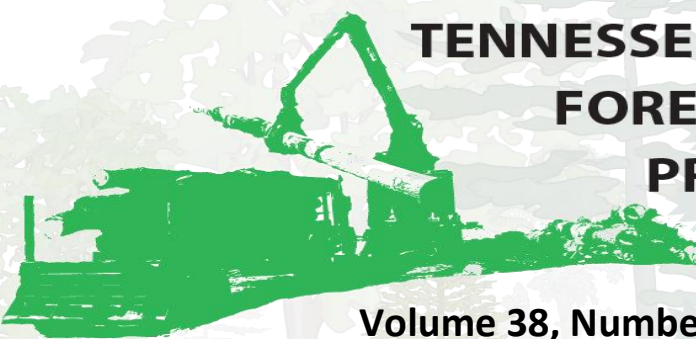




TENNESSEE FOREST PRODUCTS BULLETIN



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<http://tn.gov/agriculture/forestry>

***A CONDENSED REPORT ON FOREST PRODUCTS, PRICES, SPECIFICATIONS, EQUIPMENT,
UTILIZATION NEWS, ETC.***

Housing Outlook to Brighten in 2013

According to the National Association of Home Builders (NAHB), the housing upturn is expected to pick up substantial momentum in 2013. "Nearly every measure of housing market strength – sales, starts, prices, permits and builder confidence – has been trending upward in recent months and we expect to see gradual but steady growth along these lines in 2013," said NAHB Chief Economist David Crowe.

In particular, Crowe stated that house prices are up nearly 6 percent on an annualized rate over the past 10 months, and that this has been a trigger for demand to return.

Other factors that bode well for the housing outlook include low mortgage rates, strong housing affordability, rising household formations and the fact that two-thirds of U.S. housing markets can now be considered improving, according to the NAHB/First American Improving Markets Index.

For the past five quarters, housing has acted as a net contributor to the economy, steadily increasing its share to 12.8 percent of economic growth in the third quarter of 2012.

However, Crowe cautioned that builders continue to face several challenges, including stubbornly tight mortgage lending conditions, inaccurate appraisals, rising materials prices and a declining inventory of buildable lots.

Setting 2000-2003 as a baseline benchmark for normal housing activity, Crowe reported that residential remodeling has returned to previously normal levels and that remodeling activity is expected to post a 2.4 percent increase in 2013 over last year.

Meanwhile, multifamily production, which has posted a 273 percent gain from its fourth quarter trough of 82,000 units in 2009 to 306,000 units in the final quarter of 2012, is expected to reach what is considered a normal level of production by 2015.

The single-family market, which has the farthest to go, was running at 44 percent of normal production in the fourth quarter of 2012. Single-family starts are expected to steadily rise to 52 percent of what is considered a typical market by the fourth quarter of this year and 70 percent of normal by the fourth quarter of 2014.

NAHB is forecasting 949,000 total housing starts in 2013, up 21.5 percent from 781,000 units last year. Single-family starts are anticipated to rise 22 percent from 535,000 last year to 650,000 in 2013, Crowe said. They are expected to jump an additional 30 percent in 2014 to 844,000 units.

On the multifamily side, NAHB is anticipating that starts will increase 22 percent from 246,000 units last year to 299,000 in 2013, and rise an additional 6 percent to 317,000 units in 2014.

For more information, visit NAHB's website (<http://www.nahb.org>).

2012 Directory of Tennessee's Forest Industries Now Available

The Tennessee Department of Agriculture, Division of Forestry, has just published their **2012 Directory of Tennessee's Forest Industries**. This is a biannual directory of over 400 primary and secondary wood using industries that are located in the state of Tennessee. The purpose of the directory is to help bring together potential customers, suppliers and manufacturers seeking to buy or sell specific forest products.

This Directory is published as a cooperative project between the USDA Forest Service's Southern Research Station and the Tennessee Department of Agriculture, Division of Forestry.

The information in the directory is provided through the cooperation of Tennessee's forest industry, which provides survey data to Division of Forestry foresters and technicians from facilities across the state.

This directory can be downloaded from the Tennessee Department of Agriculture's website at <http://www.tn.gov/agriculture/publications/forestry/woodusingindustries.pdf>

Delivered Forest Product Prices in Tennessee

January – March, 2013

Product	Specifications**	Prices	Region
Cedar Logs	Length-6' to 12' and min DIB 4" at small end	\$55.00 to \$75.00/ton (also \$300.00 to \$400.00+ MBF Cedar 2/3 Rule)	II & III
Crosstie Logs	Length-8' 8" min DIB 11" and up Must be sound on both ends	<u>Oak</u> Grade 1: \$375+/MBF Doyle Grade 2: \$275+/MBF Doyle <u>Mixed Hardwoods</u> Grade 1: \$250-300/MBF Doyle Grade 2: \$200-250/MBF Doyle	I, II & III
Hickory Handle Logs	Each mill will have their own requirements. Better/different than Hickory sawlogs on page 4.	Grade 1: \$450+/MBF Doyle Grade 2: \$265+/MBF Doyle Grade 3: \$150/MBF Doyle	I & II
White Oak Stave Logs	White Oak-Length: 8 ½' min and add on 2' increments (allow 1 knot per 3' of length", and min. DIB 12" at small end)	Grade 1: \$900+/MBF Doyle Grade 2: \$700+/MBF Doyle Grade 3: \$425+/MBF Doyle	I & II
Paulownia Logs	Min. length 8' and Min. DIB 8" at small end (Must be slow grown – prefer 8-10 growth rings per inch); season Oct- April	\$1,000.00 to \$3,000.00/MBF Doyle (Depending on grade)	I, II III
Pine Pulpwood	Pine: Diameter, length, and species may vary with purchasing company. Consult firm first before cutting	\$25/ton or \$58.85/cord \$26/ton or \$69.55/cord (5350 lbs./ cord) (Gatewood Price)	II & III

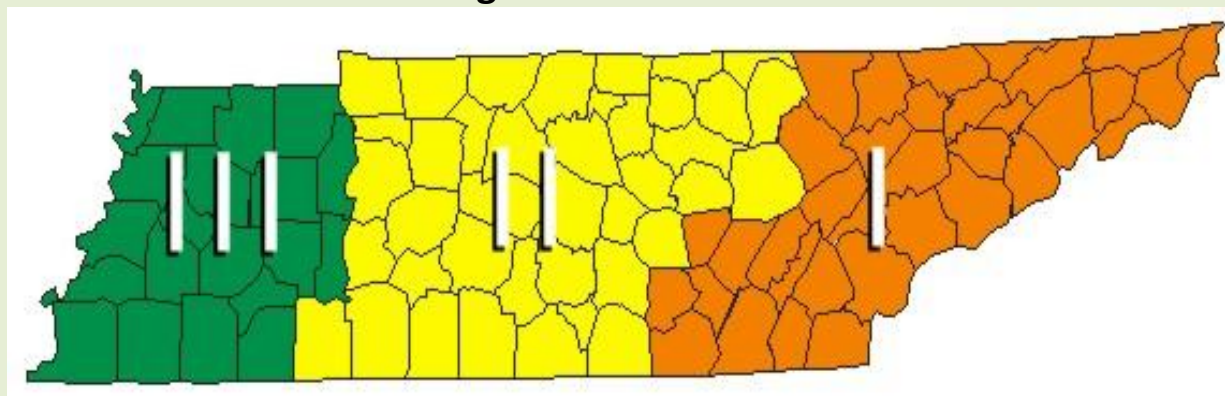
Hardwood Pulpwood	Hardwood: Diameter, length, and species may vary with purchasing_company. Consult firm first before cutting	\$26/ton or \$84.10/cord	I
		\$26.50/ton or \$76.85/cord (5800 lbs. cord Gatewood Price)	II & III
Softwood Logs	Length: 8'-16' and min DIB 6" at small end	SY Pine: \$125/MBF Doyle White Pine: \$225/MBF Doyle Hemlock: \$180/MBF Doyle SY Pine CNS: \$25/ton SY Pine Sawlog: \$35/ton	I & II
Veneer Logs	Prime logs only (specifications vary with buyer). Season: Oct to April	Red Oak: \$450-850/MBF Doyle White Oak: \$500-\$1,200/MBF Doyle Walnut and Cherry: \$500-\$1,500/MBF Doyle	I, II & III

*Information is taken from a survey of randomly selected wood-using industries in Tennessee

**Specifications vary with industries

***All prices are regional averages and are delivered prices per MBF Doyle unless otherwise indicated. They are subject to change and will vary locally. ("+" indicates an increase since our last bulletin; "-" indicates a decrease)

Regions of Tennessee



Hardwood Sawlogs*

Species	Region I	Region II	Region III
Red Oak	Grade 1: \$458+ Grade 2: \$365+ Grade 3: \$199	Grade 1: \$472- Grade 2: \$329- Grade 3: \$253-	Grade 1: \$505+ Grade 2: \$422+ Grade 3: \$297+
White Oak	Grade 1: \$435+ Grade 2: \$317+ Grade 3: \$199	Grade 1: \$613- Grade 2: \$381- Grade 3: \$275+	Grade 1: \$555+ Grade 2: \$430+ Grade 3: \$305+
Ash	Grade 1: \$350 Grade 2: \$241 Grade 3: \$152	Grade 1: \$485+ Grade 2: \$313 Grade 3: \$213	Grade 1: \$472+ Grade 2: \$383 Grade 3: \$233-
Yellow Poplar	Grade 1: \$265+ Grade 2: \$192 Grade 3: \$104	Grade 1: \$320 Grade 2: \$238 Grade 3: \$200	Grade 1: \$325+ Grade 2: \$250+ Grade 3: \$188+
Walnut	Grade 1: \$575- Grade 2: \$350- Grade 3: \$100-	Grade 1: \$575- Grade 2: \$475 Grade 3: \$213	Grade 1: \$1200 Grade 2: \$567 Grade 3: \$367
Cherry	Grade 1: \$513+ Grade 2: \$300+ Grade 3: \$146	Grade 1: \$238- Grade 2: \$225 Grade 3: \$178	Grade 1: \$725 Grade 2: \$367 Grade 3: \$283
Hard Maple	Grade 1: \$455+ Grade 2: \$311+ Grade 3: \$152	Grade 1: \$463+ Grade 2: \$300 Grade 3: \$213	Grade 1: \$ 0 Grade 2: \$283+ Grade 3: \$200
Hickory	Grade 1: \$306 Grade 2: \$250 Grade 3: \$167	Grade 1: \$325- Grade 2: \$225 Grade 3: \$188	Grade 1: \$ 0 Grade 2: \$250+ Grade 3: \$150
Miscellaneous Hardwoods	Average: \$65	Average: \$88	Average: \$83+

**Specifications: (Length: 8'-16'; and Min. DIB 8 " at small end) Delivered Price
Prices quoted are per thousand board feet (MBF) Doyle Rule delivered to mill
Increase from last quarter (+); Decrease from last quarter (-)*



Wanted to Buy:

- ❖ **Loblolly or shortleaf pine for utility poles:** 36 foot to 76 foot in length (length is determined by diameter). Roadside pricing. Call Doug Curry, Bell Timber for specifications and details. 715-418-9333.
- ❖ **Logs for Export:** An exporting company based out of Southern Illinois is interested in buying veneer logs for export. Any information or bid proposals can be e-mailed to swsveneer@gmail.com or call Derek Wilson at 618-559-7568.

For Sale:

- ❖ **SCHAEFER ENTERPRISES OF WOLF LAKE, INC** –Rely on our experience, established in 1967. Used Parts Shipped Daily for Log Skidders, Crawlers, Loader Backhoes, Excavators, Wheel Loaders and Skid Steers. We have many reconditioned engines and transmissions that are Dyno-Tested. Rebuilt winches, final drives and used tires. If we do not have a part – we can locate it for you on one of our three nationwide parts locators. Contact a parts professional at: (618) 833-5498 or (800) 626-6046. We are located at 4535 State Route 3 North, Wolf Lake, IL 62998. Check out our inventory at – www.sewlparts.com or you may send email requests to parts@sewlparts.com.

Other:

- ❖ **“Logs, Chips and Lumber Trucking Company:** West Tennessee company specializes in providing trucking services for area loggers, sawmills and papermills located within a 100 mile radius of Paris, TN. We currently have 20 trucks and over 60 trailers in our fleet for quick “drop and hook” service. Flatbed Trailer and Live Floor Chip Trailer services also available. Fully licensed, bonded and insured. Competitive rates. References available. Call Revel Logging, LLC at 731-642-3944 for more information. “

- ❖ “Starting export lumber company in Nashville, need business partner.” Contact stjoeslbr@aol.com.

The Tennessee Forest Products Bulletin welcomes those items that you are looking to buy or sell in The Trading Post. Contact Debra Dawson: Debra.Dawson@tn.gov; 615-837-5540; 615-837-5003 (Fax) with your submissions.